

# STATE OF NEW YORK

5519

2025-2026 Regular Sessions

## IN SENATE

February 24, 2025

Introduced by Sen. ASHBY -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend section 1 of part C of chapter 58 of the laws of 2005 relating to authorizing reimbursements for expenditures made by or on behalf of social services districts for medical assistance for needy persons and the administration thereof, in relation to phasing out such reimbursements

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision (c) of section 1 of part C of chapter 58 of the  
2 laws of 2005 relating to authorizing reimbursements for expenditures  
3 made by or on behalf of social services districts for medical assistance  
4 for needy persons and the administration thereof, is amended and twelve  
5 new subdivisions (c-2), (c-3), (c-4), (c-5), (c-6), (c-7), (c-8), (c-9),  
6 (c-10), (c-11), (c-12) and (c-13) are added to read as follows:  
7 (c) Commencing with the calendar year beginning January 1, 2006,  
8 calendar year social services district medical assistance expenditure  
9 amounts for each social services district shall be calculated by multi-  
10 plying the results of the calculations performed pursuant to paragraph  
11 (b) of this section by a non-compounded trend factor, as follows:  
12 (i) 2006 (January 1, 2006 through December 31, 2006): 3.5%;  
13 (ii) 2007 (January 1, 2007 through December 31, 2007): 6.75% (3.25%  
14 plus the prior year's 3.5%);  
15 (iii) 2008 (January 1, 2008 through December 31, 2008): 9.75% (3%  
16 plus the prior year's 6.75%);  
17 (iv) 2009 (January 1, 2009 through December 31, 2009), and each  
18 succeeding calendar year through December 31, 2025: prior year's trend  
19 factor percentage plus 3%.  
20 (c-2) Notwithstanding the provisions of section 368-a of the social  
21 services law, or any other provision of law, commencing with the period  
22 January 1, 2025 through December 31, 2025, calendar year social services

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 district medical assistance expenditure amounts for each social services  
2 district shall be reduced by 10% from the 2024 expenditures. No less  
3 than 100% of the annual savings from this medical assistance expenditure  
4 reduction, compared to the prior year medical assistance expenditure,  
5 shall be used for property tax levy reductions, or property tax rebates,  
6 effective in the local government's 2026 fiscal year. This section shall  
7 apply only to the local governments as defined by, and subject to, the  
8 provisions of section 3-c of the general municipal law and section  
9 2023-a of the education law.

10 (c-3) Notwithstanding the provisions of section 368-a of the social  
11 services law, or any other provision of law, commencing with the period  
12 January 1, 2026 through December 31, 2026, calendar year social services  
13 district medical assistance expenditure amounts for each social services  
14 district shall be reduced by 20% from the 2024 expenditures. No less  
15 than 100% of the annual savings from this medical assistance expenditure  
16 reduction, compared to the prior year medical assistance expenditure,  
17 shall be used for property tax levy reductions, or property tax rebates,  
18 effective in the local government's 2027 fiscal year. This section shall  
19 apply only to the local governments as defined by, and subject to, the  
20 provisions of section 3-c of the general municipal law and section  
21 2023-a of the education law.

22 (c-4) Notwithstanding the provisions of section 368-a of the social  
23 services law, or any other provision of law, commencing with the period  
24 January 1, 2027 through December 31, 2027, calendar year social services  
25 district medical assistance expenditure amounts for each social services  
26 district shall be reduced by 30% from the 2024 expenditures. No less  
27 than 100% of the annual savings from this medical assistance expenditure  
28 reduction, compared to the prior year medical assistance expenditure,  
29 shall be used for property tax levy reductions, or property tax rebates,  
30 effective in the local government's 2028 fiscal year. This section shall  
31 apply only to the local governments as defined by, and subject to, the  
32 provisions of section 3-c of the general municipal law and section  
33 2023-a of the education law.

34 (c-5) Notwithstanding the provisions of section 368-a of the social  
35 services law, or any other provision of law, commencing with the period  
36 January 1, 2028 through December 31, 2028, calendar year social services  
37 district medical assistance expenditure amounts for each social services  
38 district shall be reduced by 40% from the 2024 expenditures. No less  
39 than 100% of the annual savings from this medical assistance expenditure  
40 reduction, compared to the prior year medical assistance expenditure,  
41 shall be used for property tax levy reductions, or property tax rebates,  
42 effective in the local government's 2029 fiscal year. This section shall  
43 apply only to the local governments as defined by, and subject to, the  
44 provisions of section 3-c of the general municipal law and section  
45 2023-a of the education law.

46 (c-6) Notwithstanding the provisions of section 368-a of the social  
47 services law, or any other provision of law, commencing with the period  
48 January 1, 2029 through December 31, 2029, calendar year social services  
49 district medical assistance expenditure amounts for each social services  
50 district shall be reduced by 50% from the 2024 expenditures. No less  
51 than 100% of the annual savings from this medical assistance expenditure  
52 reduction, compared to the prior year medical assistance expenditure,  
53 shall be used for property tax levy reductions, or property tax rebates,  
54 effective in the local government's 2030 fiscal year. This section shall  
55 apply only to the local governments as defined by, and subject to, the

1 provisions of section 3-c of the general municipal law and section  
2 2023-a of the education law.

3 (c-7) Notwithstanding the provisions of section 368-a of the social  
4 services law, or any other provision of law, commencing with the period  
5 January 1, 2030 through December 31, 2030, calendar year social services  
6 district medical assistance expenditure amounts for each social services  
7 district shall be reduced by 60% from the 2024 expenditures. No less  
8 than 100% of the annual savings from this medical assistance expenditure  
9 reduction, compared to the prior year medical assistance expenditure,  
10 shall be used for property tax levy reductions, or property tax rebates,  
11 effective in the local government's 2031 fiscal year. This section shall  
12 apply only to the local governments as defined by, and subject to, the  
13 provisions of section 3-c of the general municipal law and section  
14 2023-a of the education law.

15 (c-8) Notwithstanding the provisions of section 368-a of the social  
16 services law, or any other provision of law, commencing with the period  
17 January 1, 2031 through December 31, 2031, calendar year social services  
18 district medical assistance expenditure amounts for each social services  
19 district shall be reduced by 70% from the 2024 expenditures. No less  
20 than 100% of the annual savings from this medical assistance expenditure  
21 reduction, compared to the prior year medical assistance expenditure,  
22 shall be used for property tax levy reductions, or property tax rebates,  
23 effective in the local government's 2032 fiscal year. This section shall  
24 apply only to the local governments as defined by, and subject to, the  
25 provisions of section 3-c of the general municipal law and section  
26 2023-a of the education law.

27 (c-9) Notwithstanding the provisions of section 368-a of the social  
28 services law, or any other provision of law, commencing with the period  
29 January 1, 2032 through December 31, 2032, calendar year social services  
30 district medical assistance expenditure amounts for each social services  
31 district shall be reduced by 80% from the 2024 expenditures. No less  
32 than 100% of the annual savings from this medical assistance expenditure  
33 reduction, compared to the prior year medical assistance expenditure,  
34 shall be used for property tax levy reductions, or property tax rebates,  
35 effective in the local government's 2033 fiscal year. This section shall  
36 apply only to the local governments as defined by, and subject to, the  
37 provisions of section 3-c of the general municipal law and section  
38 2023-a of the education law.

39 (c-10) Notwithstanding the provisions of section 368-a of the social  
40 services law, or any other provision of law, commencing with the period  
41 January 1, 2033 through December 31, 2033, calendar year social services  
42 district medical assistance expenditure amounts for each social services  
43 district shall be reduced by 90% from the 2024 expenditures. No less  
44 than 100% of the annual savings from this medical assistance expenditure  
45 reduction, compared to the prior year medical assistance expenditure,  
46 shall be used for property tax levy reductions, or property tax rebates,  
47 effective in the local government's 2034 fiscal year. This section shall  
48 apply only to the local governments as defined by, and subject to, the  
49 provisions of section 3-c of the general municipal law and section  
50 2023-a of the education law.

51 (c-11) Notwithstanding the provisions of section 368-a of the social  
52 services law, or any other provision of law, commencing with the period  
53 January 1, 2034 through December 31, 2034, calendar year social services  
54 district medical assistance expenditure amounts for each social services  
55 district shall be reduced by 100% from the 2024 expenditures; and shall  
56 remain eliminated each year thereafter. No less than 100% of the annual

1 savings from this medical assistance expenditure reduction, compared to  
2 the prior year medical assistance expenditure, shall be used for proper-  
3 ty tax levy reductions, or property tax rebates, effective in the local  
4 government's 2035 fiscal year. This section shall apply only to the  
5 local governments as defined by, and subject to, the provisions of  
6 section 3-c of the general municipal law and section 2023-a of the  
7 education law.

8 (c-12) Notwithstanding the provisions of section seven of this act,  
9 any county that opted into the local sales tax intercept methodology  
10 shall receive a proportionate reduction in the sales tax intercept as  
11 described in subdivisions (c-2), (c-3), (c-4), (c-5), (c-6), (c-7),  
12 (c-8), (c-9), (c-10) and (c-11) of this section and use these recaptured  
13 funds for property tax reductions in the same manner as other local  
14 jurisdictions as described.

15 (c-13) The minimum amount of annual property tax levy reductions  
16 resulting from savings achieved as defined in subdivisions (c-2), (c-3),  
17 (c-4), (c-5), (c-6), (c-7), (c-8), (c-9), (c-10) and (c-11) of this  
18 section, shall be determined by the state comptroller and transmitted to  
19 each local government one hundred eighty days in advance of the start of  
20 the fiscal year for which the property tax reduction is to be effective.

21 § 2. This act shall take effect immediately.